

GERMANS OFFER PROGRESSIVE DISARMAMENT

U. S. LIFTS BAN ON TRADE WITH SOVIET RUSSIA

Propose to Reach Limit of 100,000 Men in Fifteen Months.

Action Follows Exchange of Views With France and Britain.

ALLIES NOT SATISFIED

But Plan Will Be Considered and Impression Now Far More Favorable.

GERMANY WILL YIELD

Allies Want Quick Destruction of 12,000 Cannon and 50,000 Machine Guns.

By LAURENCE HILLS.

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BRUSSELS, July 7.—There is much less danger tonight of a break in the Spa conference than was apparent yesterday.

Dr. Walter Simon, German Minister for Foreign Affairs, said to-night that Germany would accept what the Allies dictate to-morrow, adding that she could not do otherwise.

The Germans this afternoon presented a plan for disarmament which calls for a reduction of their army to 100,000 officers and men within fifteen months. To this the Allies, after a close examination of the plan, will reply at 11 o'clock to-morrow morning.

The German scheme is declared by the Allies unsatisfactory, but it offers a basis for discussion, and both sides are showing a desire to overcome the disarmament obstacles in order to reach the more important economic questions. Field Marshals Foch and Wilson and other allied military experts are going over the German plans, which it was said, will be drastically changed, but some concessions will be made to the German point of view.

German Retort "To Quoque."

The conference had an exciting moment to-day when Premier Lloyd George retorted to the Germans for not making their people give up their rifles. Dr. Simon turned to the British Premier, saying:

"I would like to call attention to the fact that there is a part of the British Empire where subjects are under arms in violation of the law."

The conference began with a long statement by Dr. Simon and then Gen. von Seeckt, commanding the German armed forces, presented figures showing that there were 6,000,000 rifles in the possession of Germany when the retreat began in 1918; that 1,500,000 rifles were sent to the front; that 1,500,000 already have been delivered to the Allies; that the police have 117,000, the Einwohnerwehr (citizens' defense force) 600,000 and the Reichswehr (imperial defense troops) 200,000.

Premier Lloyd George interrupted him. "That means that you have 1,000,000 men armed with 1,500,000 rifles," he said. "I would like to see the German people armed with 1,000,000 rifles."

Gen. von Seeckt, who said that he would deliver the rifles to the Allies in 1921, was met by Field Marshals Foch and Wilson tonight to go over the figures.

It is more evident than ever that an agreement will be reached which will permit Germany to disarm gradually.

French Favorably Impressed.

Even the French were favorably impressed tonight, as Premier Millerand told the American newspaper correspondents, by the fact that the Germans have shown a willingness to do something which they refused hitherto to do. However, the Allies believe that the time asked by the Germans is much too long; that they could accomplish what is to be done in much less time than they plead for.

Premier Millerand said that he fully expected the Brussels meeting could be held on July 23, "probably with our American friends present," he added, "which was construed as meaning that the French and the Allies generally, now believe that a settlement will be reached even on reparations to the extent of forming some basis for the Brussels conference. Reparations will not be discussed, however, until after disarmament and the German war criminals questions have been settled."

The German figures on the materials which they have on hand and on what they have delivered to the Allies showed such wide discrepancies as compared with the Allied figures that the Premier was astonished. The Germans insisted that their figures were correct and allied experts are going over them to-night preparatory to framing a reply to be presented to-morrow.

BRITAIN LEADS FIGHT ON GERMANS AT SPA

Latter's Advantage Is Their Position Can't Be Worse.

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France to Use Fund for Propaganda in the U. S.

PARIS, July 7.—The Government has assured the Chamber of Deputies that 500,000 francs will be given to the Ministry of liberated regions out of the 20,000,000 francs propaganda fund. It was pointed out that propaganda was particularly desirable in the United States to show the task ahead and encourage "a new outburst of general solidarity with wounded France."

POLISH FRONT IN COLLAPSE

Entire Southern Line Falling Back and Reds Begin Offensive in North.

BOLSHEVIKI TAKE ROVNO

Poles Retiring on 720 Mile Line Before Fierce Attack of Soviet Troops.

BERLIN, July 7.—The Polish front from the Pripiet to the Carpathians has completely collapsed and the situation is most serious, the semi-official *Allgemeine Zeitung* says. It learns authoritatively. The Russian push southward from Kiev and Rovno has met with only slight opposition.

A Warsaw despatch to the *Frankfurter Zeitung* says the Bolsheviks have begun an offensive on the north front, to the north of the Molochevo-Polotsk Railway, but their first attempt to break through has failed.

By the Associated Press.

WARSAW, July 6.—Along a front of approximately 720 miles the Russian Bolsheviks have launched a general attack they have ever hurled against the Polish lines. On the northern and southern flanks the Poles are retreating in the face of superior enemy forces, the attack on the northern sector being the most severe of the struggle on this front. Faced with the necessity of shortening their line, the Poles have begun a withdrawal at all points.

LONDON, July 7.—The fortress of Rovno, one of the famous triangle of fortresses in Volhynia, to the east of Lublin and Lutsk, has fallen into Bolshevik hands. It is announced in the Soviet communistic *Pravda*. In capturing Rovno from the Poles the Bolsheviks took 1,500 prisoners, two armored trains, two tanks, two aircraft guns and a train with locomotives. The communistic adds: "In the direction of Proskurov (south of Rovno) we broke through the fortified zone and are driving the enemy back along the railway. (In the direction of Tarnopol and Lemberg)."

U. S. JURY INDICTS PACKERS IN BOSTON

First Profiteering Action by Government There.

BOSTON, July 7.—Indictments charging profiteering in food were reported here to-day by a Federal Grand Jury against E. C. Swift & Co., Armour & Co., N. E. Hollis & Co. and the Independent Sugar Company of this city.

The indictments are the first to be returned in New England by a Federal Grand Jury for alleged food profiteering.

The indictment charged that 17 cents a pound was received for beef which cost the corporation only 10 1/2 cents a pound, yielding a net profit of 6 1/2 cents. The Armour Company, it is charged, sold New Zealand lamb, which cost 9 cents a fraction and, for 25 1/2 cents a pound. The Hollis Company, according to the indictment, charged 18 cents for beef which cost only 10 1/2 cents a pound.

The indictment against the Independent Sugar Company charges that the corporation sold for 24 1/2 cents sugar which cost it 16 cents a pound.

JOHN D. ROCKEFELLER 81 YEARS OLD TO-DAY

Will Receive Friends; No Celebration Planned.

By the Sun and New York Herald.

LAKEWOOD, N. J., July 7.—John D. Rockefeller will celebrate his eightieth birthday to-morrow. He will spend the day here, and it was said to-night that those of his friends who annually visit him to extend their congratulations will be received as usual. It is probable he will be on the golf links in the morning, but no plans have been made for a birthday celebration.

BRITISH CABINET BEATEN BY LORDS

Government Defeat on Motion for Retrenchment.

LONDON, July 7.—The Lloyd George Government suffered a defeat in the House of Lords to-night when Baron Middleton's resolution strongly urging retrenchment in national expenditure was adopted by a vote of 23 to 22.

JOHNSON JOINS IN SUPPORT OF PARTY TICKET

Californian Unqualifiedly Indorses Republican Standard Bearer.

'FOUR SQUARE,' HE SAYS

Harding's Efforts for Unity Seen in Statement Issued.

DEMOCRATS CHAGRINED

Facing Breach in Their Own Party They Had Hoped for Bolt From G. O. P.

By a Staff Correspondent of THE SUN AND NEW YORK HERALD. Copyright, 1920, by THE SUN AND NEW YORK HERALD.

DAYTON, Ohio, July 7.—A hasty although sufficient estimate of the political situation to-day in Ohio, the State that is almost bursting with pride over the selection of favorite sons as the Presidential nominees of both national parties, leaves no mistake that Senator Harding has all the better of it in the calculations. Ohio in a general way likes Gov. Cox, whom the Democrats have chosen as their standard bearer, but finds it hard to picture him in the White House. Harding is the favorite.

The correspondent of THE SUN AND NEW YORK HERALD travelled more than 200 miles across Ohio to-day on a day train, talking with more than a score of Ohioans about the situation. Some of them were travelling salesmen, who have been around during the last two days since Gov. Cox was nominated; others were small merchants and farmers, one a banker. The situation is further reflected by the past records of both Harding and Cox and by to-day's editorial opinion and comment in various Ohio newspapers.

Ohio, of course, will be an important battleground in the election. Ohio's twenty-four electoral votes in all present estimates will go to the party that wins, and the desire to capture these was one of the considerations that led to Senator Harding's nomination in Chicago. The claim of the Cox supporters in Ohio, that Cox could carry Ohio, materially aided his nomination. Both groups, consequently, are preparing for a most vigorous campaign in Ohio, a bitter end struggle for national honors between two State leaders who have been fighting each other along party lines for the last ten years.

On Wilson's Coattails.

James M. Cox has been elected Governor of Ohio three times, sliding through twice, in 1912 and 1916, on the coattails of Woodrow Wilson, and the third time, in 1918, while the country was at war, making his campaign on the ground that the national emergency necessitated a continuation of the incumbent administration. After serving his first term, at the election of 1914, Cox was defeated. That was the year Senator Harding ran for Lieutenant Governor.

The record of votes is significant. His election in 1912, beyond a doubt, was due to the division of the Progressive party. That was the year of the Roosevelt race for the Progressive party and Woodrow Wilson was at the head of the Democratic ticket.

In 1914 Frank B. Willis defeated Cox for Governor by a vote of 23,270. The Harding popularity is apparent because of this election, for it was then that he was chosen for the Senate, defeating Timothy S. Hogan, Democrat, by 102,000 majority.

In 1916, when Wilson carried Ohio by 89,408, Gov. Cox was returned to the Executive office at Columbus by the re-election of the Progressive party. In the next election for Governor, 1918, when Cox made his claim for return on the ground of the war, and when the Republican State platform contained an unpopular dry plank, the Cox majority was 113,944.

About the only discussion that is heard regarding Cox is that he is well-versed in the business of the State. It is the first thing that is brought up about him, and it is the chief means of giving public opinion as to his chances of being elected.

Influence of Bryan.

This will help Cox, it is admitted, in some of the cities of Ohio, but it will hurt him in the small town and country districts, which are dry strongholds. If it really develops into a wet and dry fight, Cox is bound to lose on that score, because Ohio actually went into the dry column a year ago in May, even before wartime prohibition went into effect. And if the studied opinions expressed recently are correct, the sentiment is even drier now than at the time the State went dry, which was by a narrow margin.

In this connection the influence of William J. Bryan is likely to have its effect in Ohio. Bryan still is a factor, for he has many followers in Ohio, particularly in the small communities.

The Wilson Administration is not popular in Ohio. The strength the President had up to the time he went to France is on the wane. His fight for a League of Nations covenant without reservations led to the impression that he is stubborn and unyielding.

HARDING BEGINS TO WRITE HIS SPEECH

Expected to Complete Work on Acceptance in Ten Days.

MARION, Ohio, July 7.—After several weeks of preliminary preparation Senator Harding to-day began the actual

COX ASSUMES PARTY LEAD; URGES WOMAN SUFFRAGE; WILL MEET WILSON LATER

Plans Now Under Way to "Tammany" Nation for Campaign.

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MARION, Ohio, July 7.—There is little doubt that E. H. Moore of Youngstown, who managed the pre-convention campaign for Gov. Cox, will be made chairman of the Democratic National Committee. Already accepting that as substantially settled, politicians are calculating the character of campaign that will be waged.

They believe Moore will organize a distinctly offensive fight from the start, as he did at San Francisco. Ohioans who have known his style of politics for many years and who recall his part in some other national and many State conventions say he will insist on carrying the fight to the country and that his game will be to concentrate effort in places where the Democrats think they have a chance to win and to pay no attention to others.

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To this end it is calculated to-night that the Moore programme will include a close combination of Tammany in New York, the Cox machine in Ohio, the Taggart organization in Indiana and the Brennan forces in Illinois.

Along with these will stand the Democratic organization in Iowa headed by Wilbur Marsh, treasurer of the National Committee, and reaching still further West the "Hitchcock" organization in Nebraska, which is counted upon because of the long time and intimate friendship between Senator Hitchcock and Gov. Cox.

With this best of highly organized machines stretching half way across the country it is calculated that Moore will reach out in the effort to project a mildly Tammanyized organization to the other States in which it is desired to concentrate activities.

ASKS LOUISIANA RATIFICATION

Nominee Says Legislature Owes Duty to Party to Act at Once.

CONFERENCE SATURDAY

Expects to Conduct Campaign From Columbus—Congratulations Pouring In.

DAYTON, Ohio, July 7.—If the Legislature of Louisiana acts in accord with the opinion of Gov. James M. Cox, the Democratic nominee for President, women will be enfranchised to vote at the November election and the Democratic party may get the credit for making universal suffrage a fact.

In a telegram to Frank J. Looney, chairman of the Louisiana State Central Committee, Gov. Cox expressed his opinion that the Louisiana Legislature owes it as a duty to the Democratic party to ratify at once. Mr. Looney had wired to the Governor asking him to express his views to the Legislature on ratification of the amendment. The Governor's answer to Mr. Looney follows:

"I have written as chairman of the Democratic State Central Committee of Louisiana on the subject of the ratification of the suffrage amendment by the General Assembly. I can only express my opinion. It is that the Legislature owes it as a duty to the Democratic party to ratify at once."

In his official capacity as Governor of Ohio the Democratic nominee repeatedly has placed himself on record as being in favor of giving the vote to women. He has signed a number of bills intended to enfranchise women in this State, consequently his frank opinion expressed to-day on the subject was not unexpected.

It was stated to-day by those in close touch with the Democratic Presidential nominee that he contemplates a campaign which will have to be conducted where he necessarily will have to be much of the time in connection with his duties as Governor. His friends, however, anticipate that no small part of his campaign work will be conducted from his Dayton newspaper office. It has been the practice of the Governor to spend the week end with his family at Trail's End and at his newspaper office.

No political conferences of importance are expected until the party leaders return from San Francisco. The visit of Franklin D. Roosevelt, the Vice-President, who is expected to arrive Saturday, is not anticipated to develop into anything more than an exchange of congratulations.

ROOSEVELT HOLDS TO JOB.

Will Remain Daniels's Aid for Several Weeks.

STOCKTON, Cal., July 7.—Franklin D. Roosevelt, Assistant Secretary of the Navy and Democratic nominee for Vice President, said here to-day he would not resign as Assistant Secretary of the Navy for several weeks.

It had been reported that he planned to resign at once.

The feeling here is that by the time the Harding notification ceremonies on July 22 are over Mr. Wilson and the nominee will have reached a complete understanding as to how the party they are to play in the campaign are to fit in.

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